

**EXHIBIT
D**

In the Matter Of:

IN RE: PORK ANTITRUST LITIGATION

TAYLOR COX

June 02, 2022



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Whereupon,

TAYLOR COX,

having been first duly sworn, testified

upon his oath as follows:

EXAMINATION BY COUNSEL FOR DEFENDANT CLEMENS

BY MR. RUGE:

Q Good morning, Mr. Cox.

A Good morning.

Q My name is Nick Ruge. I represent
Clemens Food Group. I'm going to be asking you
questions this morning on behalf of all defendants
in this case, and then plaintiffs will take over
after me this afternoon.

A Okay.

Q Can you please state your full name for
the record.

A Sure. Taylor Cox.

Q Have you ever been deposed before?

A I have not.

Q Great. I'll try to make this as
painless as possible for you.

A Thank you.

Q And, and I know you're, you're busy, so
we'll try to also respect your time and, and move

1 Minnesota is going to be more interested in the
2 demand for hogs in Minnesota than in California?

3 MR. RISSMAN: Object to form, and
4 it calls for expert testimony.

5 MR. SIMON: I'm going to object to
6 form as well. Subject to the objection, the
7 witness can answer.

8 (Whereupon, reporter reads
9 requested material.)

10 THE WITNESS: I can't speak for hog
11 farmers in Minnesota, of course, but as I
12 described, producers within the state or
13 region certainly have interest in seeing
14 market transparency within said state or
15 region. I couldn't speak to a Minnesota
16 producer. I couldn't gauge their level of
17 interest of what they would have in
18 California, for example.

19 BY MR. RUGE:

20 Q No problem. So page -- let's turn to
21 page 3. There's an example, Daily Direct Hog
22 Prior-Day-Purchased Swine report.

23 Is this one of the many reports that get
24 published every day by AMS about hog purchases?

25 A It is.

1 Q So can you help me understand some of
2 the terms that are used here.

3 So I'm seeing this broken out by
4 producer-sold and packer-sold, and then it's
5 broken out by prior day, a week ago, a year ago.

6 Are those -- and that's current volume,
7 is that it, that's sold or purchased?

8 A Correct. In this case, when you're
9 talking about swine reporting, these are all
10 purchases, the sales we cover, the product sales
11 on the meat side, so correct. This is -- for
12 example, producers sold -- negotiated 8,145 head
13 as the volume sold for that reporting period, the
14 covered period.

15 Q And what does it mean to be a
16 packer-owned hog?

17 A Yeah, those are swine that are
18 historically defined by and, and defined in
19 statute by packers owning those 14 days prior,
20 immediately prior to slaughter.

21 Q A packer is a processor of meat; is that
22 right?

23 A Correct.

24 Q And packers can sometimes own their own
25 hogs that they process?

1 A That's correct.

2 Q What does it mean to be packer-sold?

3 A Packer-sold are animals -- are swine
4 that -- for example, if I was a packer or an
5 affiliate of a packer, and you were also a packer,
6 and I sold those animals to you for harvest, I, I,
7 I raised those, I fed those animals, and I've,
8 I've -- in the fullest intent of what it says,
9 packer-sold is a sale from one packer to another.

10 Q What about producer-sold?

11 A Producer-sold are -- same example. I'm
12 a producer, you're still a packer. You've
13 purchased -- you've procured my animals. So a
14 producer is selling to a packer is what that is
15 covering, the producer-sold.

16 Q What -- and what is a producer in this
17 context?

18 A Yeah, a producer in this context is --
19 one, regardless of size, as, as we spoke about
20 earlier, the statute defines the covered packer
21 who's mandated to report. The producer is not a
22 reporting entity, so a producer can be of any size
23 who is making a sale to a packer covered by
24 livestock mandatory reporting.

25 Q Are producers -- do producers raise --

1 THE WITNESS: I'm not an economist.

2 My program and a division within my program,
3 the Market News division we're talking about,
4 aggregates and disseminates this information.

5 I can't speak from an economic standpoint.

6 BY MR. RUGE:

7 Q Earlier we talked about the difference
8 between producer-sold hogs, packer-sold hogs, and
9 your view that there's -- the majority of hogs
10 sold for slaughter in the United States are
11 producer-sold, not only packers, right, and I --
12 you said you can't speak to the exact percentages.
13 I said we'd come back to it. If you flip to page
14 16, do you see the chart there at the bottom,
15 "Hogs Sold by Transaction"?

16 A Yes.

17 MR. RISSMAN: Object to, object to
18 form and the narrative.

19 BY MR. RUGE:

20 Q So this chart, does it walk us through
21 the -- does it outline the different percentage of
22 hogs sold by transaction by purchase type reported
23 in LMR?

24 MR. BERGMAN: Can we get the chart
25 on the screen, please? Thanks.

1 THE WITNESS: Yes, those are the
2 purchase types on the right-hand column,
3 purchase types of LMR.

4 BY MR. RUGE:

5 Q And if you look at packer-owned line,
6 which is the purple one, is it fair to say that's
7 about -- in 2008, about 25 percent of sales of
8 hogs for slaughter were, were packer-owned, a
9 little less than 25 percent?

10 A Correct.

11 Q And from 2008 to 2016, that only gets up
12 to, at most, 30 percent?

13 A Yes. I don't have the exact, but yes,
14 close to 30 percent.

15 Q And packer-sold hogs are even lower,
16 around five percent that whole period, a little
17 above, a little below five percent?

18 A Yes, somewhere in that range, yes.

19 Q So from 2008 to 2016, not just the
20 majority of hogs sold for slaughter in the United
21 States were producer-owned and not packer-owned,
22 but a large majority, almost like 70 percent; is
23 that right?

24 MR. RISSMAN: Object to form.

25 THE WITNESS: Correct. I -- when I

1 said -- when I spoke to majority earlier, I
2 was speaking very generally, of course. I
3 said -- I stated I didn't have the exact data
4 in front of me, but adding these numbers up,
5 yes, correct.

6 BY MR. RUGE:

7 Q And these different types of contracts
8 here, other than packer-owned and packer-sold,
9 those are still purchases by a packer for hogs, is
10 that right? They're just different types of
11 contracts for purchases?

12 A Correct. These are all the purchase
13 types covered by LMR, yes. These are, these are
14 animals -- volume is represented on a percentage
15 basis of animals sold from a producer to a packer
16 primarily, yes.

17 MR. RUGE: All right. Let's flip
18 to tab 63. I'm marking it as Exhibit 5.

19 (Exhibit 5 was marked for
20 identification.)

21 BY MR. RUGE:

22 Q Do you recognize that to be a PowerPoint
23 presentation by Warren Preston on the value of
24 market information?

25 A I mean it appears so, yes. It's titled

1 as, as his, yes.

2 Q Have you ever seen this presentation
3 before?

4 A It's -- not to my recollection.

5 Q No?

6 Do you have any understanding of --
7 well, do you have any understanding if this is
8 kept and maintained in the ordinary course of
9 AMS's business?

10 A This is example -- this is an example of
11 a, of a user utilizing our information.

12 Q If you flip to slide -- these are not
13 numbered, so you'll have to count with me. This
14 is slide 4, I believe, "Market information brings
15 transparency back to the marketplace." We've
16 talked about that a little bit, and that's, that's
17 consistent with your understanding of the -- of
18 why you're publishing so much hog and pork supply
19 and price information?

20 MR. RISSMAN: Object to form.
21 Foundation.

22 THE WITNESS: Yes. As I, as I
23 stated before, one of our goals is to provide
24 as much transparency as possible.
25